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leading the
university agenda

A MANIFESTO FOR UNIVERSITIES



"Education is the most powerful weapon which you can use to change the world."

Nelson Mandela



"If you think education is expensive, try ignorance."

Derek Bok,
American educator
and lawyer



The funding of universities and the student support system remain contested territory between political parties and different policy decisions have been taken by the UK's four nations.

At a time of continued financial austerity it is inevitable that not only the value, but also the mechanisms used by governments to invest in universities and the teaching and research that they undertake, will come under close scrutiny. This manifesto sets out the key principles that all parties and governments should take into account and highlights the reasons why the funding of universities and their research and knowledge exchange activities should be a high priority for government.

UK universities are highly effective in

- > nurturing graduate attributes which help individuals play a stronger role in society and in a knowledge economy by promoting the ability to engage in research and scholarship, assimilate and interpret information, ask questions and make critical judgments
- > undertaking original, applied and translational research that contributes to economic growth
- > producing graduates from high quality degree courses that are often shorter in length than the UK's competitors
- > delivering higher completion rates and better employability than the EU and the US
- > engaging in the teaching, research, transnational partnerships and quality assurance systems that have made the UK a key international destination and global player in the HE market

Governments should promote participation in higher education because this:

- > opens up new opportunities for individuals

The merits of any undergraduate system should be judged against its likely impact on postgraduate participation and the extent to which it promotes diversity in participation at both levels.



- > is a major force for social mobility by extending and widening access to learning and higher level skills
- > brings positive benefits to society
- > provides employers with talented people and opportunities to further enhance the skills and knowledge of their workforce
- > has a positive spill-over effect on business
- > helps to address imbalances in regional growth

¹ London Economics & million+ pg. 8 report *What's the Value of a UK Degree* 2013.

² <http://www.ons.gov.uk/ons/rel/census/2011-census-analysis/local-area-analysis-of-qualifications-across-england-and-wales/rpt---local-area-analysis-of-qualifications-across-england-and-wales.html#tab=Qualifications-Across-the-English-Regions-and-Wales>

An important component for successful participation in education for the majority of students is government support to help with living and maintenance costs while they are studying.



The case to increase investment in universities is strong.

- > Universities are net contributors to the economy and deliver an 11% return on Treasury investment.¹
- > Only 34% of those aged 16-64 in the 39 Local Enterprise Partnership areas in England are educated to degree-level.
- > In Wales only 26% of the population aged 16 to 64 are educated to degree level² while in Scotland, the proportion of the population aged 16-64 with further or higher education is 39%.³

³ <http://www.scotland.gov.uk/Topics/Statistics/Browse/Labour-Market/TrendALN>.

⁴ Data published in January 2015 by UCAS show that there is significant variation – the application rate for 18 year olds from London is 43.8% compared to only 31.5% in the South West.

- > There is a link between graduate supply and regional growth but significant variation by region in higher education applications from young people. Higher education ‘cold spots’ in coastal towns and some country and urban areas are still found in all parts of the UK.⁴

Teaching and Learning

Universities are hubs of exploration, creativity, learning, debate and the development of ideas. They develop and promote innovative teaching activities and best practice to enhance student learning and graduate employability. In the UK, universities educate more than 2 million students annually including 300,000 students from outside the UK. The courses that they offer cover the full range of pure and applied disciplines and provide new areas of study and qualifications to meet changing societal, economic and environmental challenges.⁵

⁵ HESA data for 2013/14 academic year states that 2,299,355 students were enrolled at UK higher education providers, with 125,300 European Union countries and 310,195 of them coming from outside of the EU.

Treasury investment should be used to:

- > promote stability in a world-class system of universities and not a two-tier system
- > fully fund a higher education system that offers a high level of opportunity for all those who can benefit whatever their age and background
- > provide direct taxpayer investment in higher education, ensuring that any contribution required from graduates is proportionate, transparent and fair⁶
- > increase the unit of resource and capital investment in teaching
- > provide opportunities for those who want to study at undergraduate and postgraduate level when they are working, have caring responsibilities or want to study on a flexible basis

Research and knowledge exchange

Excellent research of international standing can be found in all of the UK's universities. However the

Market-based systems which remove the link between the maximum fee which can be charged and the government fee loan and which allow institutions to charge additional fees based on a university-backed fee loan, will create further inequity in the unit of resource.



UK invests less in research and development (R&D) than the leading 22 OECD countries as a percentage of GDP and has a low level of private R&D investment. The ONS confirmed that the UK expenditure on R&D decreased by 3% between 2011 and 2012.⁷ Currently, 25% of the UK's total recurrent research funding is allocated to 5 universities.

⁶ Public spending on tertiary education in the UK is 30% of the total yearly spending, compared to 70% on average in OECD countries. This places the UK 3rd lowest in OECD countries in terms of public spending on tertiary education and means that 70% of tertiary education in the UK is privately funded: OECD (2015), Spending on tertiary education (indicator). doi: 10.1787/a3523185-en (Accessed on 13 February 2015).

⁷ See <http://www.ons.gov.uk/ons/rel/rdit1/gross-domestic-expenditure-on-research-and-development/2012/stb-gerd-2012.html>

The UK's world-class reputation in research has not always translated into the innovation needed to support the economy, the changing needs of society and new and emerging markets. Research funding is also highly concentrated geographically. This impedes the access which businesses, and in particular smaller enterprises, have to research expertise and impacts on student resources. The greatest inequity in the unit of resource and opportunities for students arises from the distribution of research funding.

Treasury investment should be used to:

- > increase the science and innovation budget so that the UK is in the top 10 of OECD countries for investment in research and development by 2020
- > fund research infrastructure and staff capacity in all universities which currently do not benefit significantly from other taxpayer-provided research funding

- > moderate a research funding system that has led to the concentration of resources in fewer and fewer universities, created inequity for students and limited research talent, innovation and regional growth
- > introduce a new fund for translational research geared towards universities with excellent research which have less access to funding and research council resources
- > ensure that taxpayer investment in research and knowledge exchange is more widely distributed so that businesses, including in the creative industries, can benefit from the expertise of research staff

All parties need to explain how universities will be funded if the budgets of government departments responsible for higher education and science funding are targeted for further cuts.



International

All universities have international strategies and the global scale and scope of their transnational partnerships and academic research is immense. This work contributes to export earnings but also adds value to the educational experiences of students and the collaborative work of academics. In 2011, the Department of Business, Innovation and Skills estimated the value of higher education related exports to the UK to be at least £10bn by 2015, potentially rising to nearly £17bn by 2025.⁸

The UK's international reputation in higher education and the capacity of UK universities to trade internationally are jewels in the crown which need the active support of all government departments to flourish in a highly competitive market.



Government should:

- > support the engagement of all universities in the international market recognising their contribution to export earnings and the UK's international and strategic objectives
- > remove international students from net migration numbers
- > amend the visa regulations for international students and staff, including for post-study work
- > issue new guidance to the UK Visa and Immigration Agency so that its remit and operations align with new government objectives
- > ensure that trade and business delegations are representative of all the UK's universities
- > fund a new Prime Minister's initiative to support all UK universities in the international market

⁸ Department for Business, Innovation and Skills RR46, *Estimating the value to the UK of educational exports*, June 2011 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/32395/11-980-estimating-value-of-education-exports.pdf

Maintaining the UK's reputation for excellence

In England, decisions to allow the entry of alternative providers into the market outside some of the regulatory frameworks applied to universities of long-standing have raised questions about how the value of taxpayer investment in higher education and the interests of students can be safeguarded.

The UK's reputation for higher education has been under-written by UK-wide quality assurance systems and the award of university title which has previously been hard won and much-prized. The strength of the system has also been predicated on the principle of autonomous institutions that have been able to innovate without excessive interference or licensing by government.



Debate about funding options for teaching and research should be informed by an assessment of the their economic and administrative efficiency for the Treasury, taxpayers, students, graduates and institutions.



The government should:

- > amend current legislation to further regulate the role of alternative providers in England including their access to student loan funding
- > review the criteria by which university title is awarded
- > maintain the principle of institutional autonomy with regard to quality, curriculum development and governance

Language to match a world class system

UK politicians frequently discuss the future of universities in the context of their own experience. Very often this is based on studying at a small range of universities for a three or four year degree immediately after the completion of A-levels or Scottish Highers. This is a much narrower experience than the majority of today's UK graduates. These graduates come from a more diverse range of backgrounds and are well equipped with both academic and vocational qualifications and a third progress to university when they are over 21. They study for a much broader range of degrees, professional qualifications and courses at a much wider range of universities, all of which are global players. The vast majority succeed to become accomplished

graduates in a wide range of fields, equipped for fulfilling careers and the needs of a global, changing society. Rather than perpetuate old hierarchies and destination measures that are not fit for purpose⁹, all parties and their leaders should support and promote in language and funding regimes, a world-class system of universities. The graduates of today and the students, universities, businesses and public services of tomorrow deserve nothing less.

⁹ The Department for Education provides data that appears to place a great priority on assessing schools and local authorities on their success in sending students to Oxford, Cambridge and other Russell Group universities despite these comprising a minority of higher education opportunities for students.

The 'smoke and mirrors' rules that govern the Treasury's accounts need to be changed to enable a much more transparent debate about university funding.





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